

**FORM OF
PERFORMANCE BOND**

PROJ. NO.

KNOW ALL PERSONS BY THESE PRESENTS:

That we, _____

of _____ as PRINCIPAL,

and _____

of _____ as SURETY(S),

are hereby held and firmly bound unto the state of Iowa in the penal sum of not less than:
_____ dollars _____ for the payment, whereof, the said PRINCIPAL and
SURETY(S) bind themselves, their heirs, executors, administrators, successors and assigns, jointly and
severally, firmly by these presents.

The conditions of this obligation are such that whereas the PRINCIPAL entered a certain contract, hereto
attached, and made a part, hereof, with the state of Iowa, acting by and through the Iowa Department of
Natural Resources, hereinafter called the DEPARTMENT,

dated _____ for the _____

at _____ in _____ County, Iowa.

NOW THEREFORE,

the conditions of this obligation are such that, if the PRINCIPAL shall faithfully perform the contract in
accordance with the plans, specifications and contract documents, and shall fully indemnify and save
harmless the state of Iowa from all cost and damage which the state of Iowa may suffer by reason of the
PRINCIPAL'S default or failure to do so and shall fully reimburse and repay the state of Iowa all outlay
and expense which the state of Iowa may incur in making good any such default, then this obligation shall
be null and void, otherwise it shall remain in full force and effect. In the event the PRINCIPAL is in default
under the contract as defined herein, the DEPARTMENT shall by written notice inform the PRINCIPAL
that his contract is in default. And may, at its option, without process or action at law:

1. Take over all or any portion of the work and complete it either by day labor or reletting the work. The
DEPARTMENT may retain all material, equipment and tools on the work, at a rental that it considers
reasonable, until the work has been completed.
2. Allow the surety to take over the work within fifteen (15) days and assume completion of said contract
and become entitled to the balance of the contract price.
3. Allow the PRINCIPAL to complete the work included in the contract.

As required by Chapter 573 of the Code of Iowa, 1985:

1. The PRINCIPAL SURETY(S) on this bond hereby agree to pay all persons, firms or corporations
having contracts directly with the PRINCIPAL or with subcontracts, all just claims due them for labor
performed or materials furnished, in the performance of the contract on account of which this bond is
given, when the same are not satisfied out of the portion of the contract price which the public
corporation is required to retain until completion of the public improvement, but the PRINCIPAL and
SURETIES shall not be liable to said persons, firms, or corporations unless the claim of said claimants
against said portion of the contract price shall have been established as provided by law.

2. Every Surety on this bond shall be deemed and held, and contract to the contrary notwithstanding, to consent without notice:
- a. To any extension of time to the contract in which to perform the contract.
 - b. To any change in the plans, specifications, or contract, when such change does not involve an increase of more than 20 percent of the total contract price, and then only as to such excess increase.
 - c. That no provision of this bond or of any other contract shall be valid which limits to less than one year from the time of the acceptance of the work, the right to sue on this bond for defects in workmanship or materials not discovered or known to the DEPARTMENT at the time such work was accepted.

IN WITNESS WHEREOF,

the above bounded parties have executed this instrument under their several seals this _____ day of _____, 20_____, the name and corporate seal of each party being hereto affixed and these presents duly signed by its undersigned representative pursuant to authority of its governing body.

PRINCIPAL

SURETY

By _____ By _____

Countersigned by Resident Commission Agent
as required by Chapter 515 of the Code of Iowa.
(Required only if Attorney-in-Fact is not also an
Iowa Resident Commission Agent)

By

If a partnership all partners must sign.

This bond approved by the Iowa Department of Natural Resources this _____ day of _____, 20_____.

By _____

Director